CHAPTER II

LITERATURE REVIEW

An extensive review of literature was made by the researcher to learn about the concepts involved in the research work, the problem focus and scope of the study. The review also provided valuable information for the choice of tools of analysis and research design. The review is presented in this chapter in two parts. First part presents important concepts used in this study. A review of past studies is presented in the second part.


Consumer - consumer is defined as an individual who purchases and uses goods and services. Consumer is defined as someone who buys goods in a personal capacity from a business seller. (e.g: when a person buys a super market product for his / her grandson / a granddaughter, the children are the consumer).

Customers - in a broader sense are those who are involved in the process of transfer of ownership of a product from the production centre to the consumption centre, and not merely the one who ultimately enjoys the benefit of a product or service. „Customer’ is „someone who purchases good from a shop, uses the services of a business etc.

According to the American marketing Association “a customer is the actual or prospective purchaser of products or services”. The most important asset of any organisation is its customers. A customer is someone who makes use of or receives the products or services of an individual or organisation. The word historically derives from “custom,” meaning “habit”; a customer was someone who frequented a particular shop, who made it a habit to purchase goods there, and with whom the shopkeeper had to maintain a relationship to keep his or her “custom,” meaning expected purchases in the future. An organisation’s success depends on how many customers it has, how much they buy and how often they buy.

Customer is a person or an organisation paying money in exchange for goods or services.

Prospective Customer’s – are the people who have a strong potential interest in the service and the ability to pay for it.
**Buyer** – refers to the one who buys a product or a service and it is immaterial whether he consumes it or not.

**Customer Expectation** – refers to the preconceived ideas of a customer about a production or a service. Customer expectation is influenced by a customer’s perception of product or service and can be created by previous experience, advertising, hearsay, awareness of competitors and brand image. Customer expects to encounter efficiency, reliability, confidence in the staff and a personal interest in his or her patronage. If a customer’s expectation is met, the outcome is the consumer satisfaction. Customer expectation is also known as buyer expectation.

**Customer Perception** – refers to the individual’s objective way of interpreting and making sense of an object. As far as the potential customer’s perceptions are concerned, each customer might interpret the brand concept in his own way and make his own meaning out of his interpretation. The various attributes of a brand would be perceived differently and such perceptions would have serve implication in the ultimate brand selection. If a customer perceives a brand as a mismatch to his expectation he deletes the brand from the selection process. It is to this extent that the perception of a customer plays a key role in the brand selection process.

**Customer Satisfaction** – is a state of mind that occurs when the customer feels that his / her expected requirement is fulfilled by what is offered by the organisation. It is imperative that an organisation carefully monitors the level of satisfaction enjoyed by its customer, and initiates measures to enhance the level of satisfaction.

**Customer Service** - Customer service is a customer – provider interaction, other than a proactive selling or a core product delivery that facilities the organisation’s relationship with its customer.

**Product** – a product is anything that can be offered to a market that might satisfy a want or need. However it is much more than just a physical object. It is the complete bundle of benefits or satisfactions that buyers perceive they will obtain if they purchase the product. It is sum of all physical, psychological, symbolic and service attributes.
Term used to describe all goods and services sold. Products are bundles of attributes (features, functions, and uses) and can be either tangible as in the case of physical goods, or intangible such as those associated with service benefits or a combination of the two.

Service – refers to the identifiable, but sometimes intangible, activities undertaken by a supermarket in conjunction with the basic goods and services it sells.

A primary activity associated with after-sale support to enhance or to maintain the value of the product or service.

**Retailer**

A retailer is one who sells products and services to consumers for their personal or family use. Retailers are the final in the business in distribution channels that link manufacturers with consumers. Manufacturers typically make products and sell them to retailers or wholesalers. Wholesalers buy products from manufacturers and resell these products to retailers. While retailers resell products to consumers, wholesalers satisfy retailers’ needs, while retailers direct their efforts to satisfying needs of ultimate consumers.

**Retailing**

Retailing is the set of business activities that adds value to the products and services sold to consumers for their personal or family use. Often people think of retailing only as the sale of products in stores. But retailing also involves the sale of services: overnight lodging, in a motel, a doctor’s examination, a haircut, a videotape rental, or a home-delivered pizza. Not all retailing is done in stores.

**Brand**

The American Marketing Association (1987) describes a brand as a “name, term, sign, symbol or design, or a combination of them intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition”. More importantly a brand is the source of promise to the consumer. It promises to the consumer relevant differentiated benefits. Everything an organisation
does should be focused on enhancing delivery against its brand’s promise. Technically speaking, whenever a marketer creates a new name, logo or symbol for a new product, he or she has created a brand.

**Loyalty**

Loyalty being an important strategy for marketers, it is worth analysing how retailers retain consumers and ensure they come back after establishing retail equity. Loyalty, here, is essentially a consumer’s commitment towards a retail outlet.

**Perception**

Perreault and Mc. Carty states perception as how one gather and interpret information from the world around us.

Perception is the process of acquiring, interpreting, selecting, and organising sensory information. The word perception comes from the Latin perception, percepio, meaning “receiving, collecting, and action of taking possession, apprehension with the mind or senses.”

**Awareness** – Saxena defines awareness as a continuous range from an uncertain feeling that a product is recognised to a belief that is the only one in the product class.

**PART – II: Review of Related Literature**

**General reviews related to retail industry**

Sum K. V., Ailwadi. L and Keller,(2004) have noted that with the growing realisation that brands are one of a firm’s most valuable intangible assets, branding has emerged as a top management priority in the last decade. Given its highly competitive nature, branding can be especially important in the retailing industry to influence customer perceptions and store choice loyalty. The study integrated lessons from branding and retail image research to provide a better understanding of how retailers create brand images, paying attention to the role of the manufacturer and private label assortment.

Steve Burt, (2000) has assessed the evolution of retail brands within British grocery retailing over the past 25 years. The author has highlighted key issues in defining retail brands which contribute to their understanding of the role and impact upon
company strategy, and then explores how British retailers have managed the evolution of these products ranges. He has identified key factors as the changing basis and use of retail power in the distribution channel, the centralisation of management activities and the appreciation of what constitutes retail image. He argued that British grocery retailers have successfully managed these factors to create a retail brand which is now regarded by customers as being at least equal to, if not better than, the established manufacturer brands.

Travis. D. (2000) in his book titled “How Branding”, has justified that branding is a valuable tool in this manipulation or forming of attitudes. Brands are effective because they have an effect on the effective domain; rational reasons are translated into emotional preferences.

Poolthong, Yaowalak, Mandhachitara, Rujirutana (2009) in their paper aim to explore how social responsibility initiatives can influence perceived service quality and brand effect from the perspective of retail banking customers in Bangkok, Thailand. The paper also aims to examine the impact of trust as a mediating variable between perceived service quality and brand effect. The study is quantitative in nature, using the responses of 275 bank customers to a close-ended questionnaire, administered on a face-to-face basis by trained fieldworkers. The data analysis is performed by partial least squares (PLS), a second generation statistical SEM variance-based modeling technique. The results of the study demonstrate how corporate social responsibility (CSR) initiatives influence service quality perceptions and also examine CSR's impact on trust and affective attitudes of customers towards their banks. The study's hypothesised relationships were principally supported, i.e., perceived service quality is positively associated with brand effect mediated by trust. CSR initiatives play an important role in perceived service quality, which in turn, influences trust and brand effect. Finally, CSR is shown to be directly related to brand effect. While the results are clear and have strong salience to the retail banking industry in Thailand, applications of the findings beyond Thailand should take into account other factors such as the nature of retail banking industry, the perception, behavior and demographics of retail banking customers as well as the strategic focus of retail banking toward CSR. Practical implications of the study provide a set of findings relating to CSR initiatives that could be readily incorporated into a bank's corporate plan.
Chan Choi S. (2008) in his paper seeks to provide a practical methodology for a retailer's pricing decisions for a store brand in relation to the corresponding national brand's price. Demand functions for the national and store brands are derived by mixing two consumer heterogeneity distributions: reservation price and quality-price trade-off. Unlike the existing theoretical models, a flexible gamma distribution is employed for practicality. A numerical approach is proposed for finding an optimal price for the store brand. The proposed methodology is flexible and computationally straightforward, and is based on economic models. Instead of deriving generalised theories, however, a numerical approach using survey data is developed for more practicality. The proposed methodology allows managers to find the optimal price for a store brand using survey data. The proposed methodology overcomes the limitations of the existing methodologies, i.e., the discontinuous nature of the conjoint analysis-based approach and the theoretical nature of the economic model approach.

Nimisha Ruparelia, Lesley White, Kate Hughes (2010), in their study, aim to investigate the attributes that create brand trust in internet retailing, extending the work by expanding the purchase categories. Using a two-phase qualitative and quantitative methodology, in-depth interviews were conducted followed by written surveys from 199 respondents. Linear regressions were undertaken to test the hypotheses. Further to the empirical research, a new model is proposed. Regression analysis, using Ha's six scales of security, privacy, brand name, word of mouth, information and (past) experience yielded an $R^2$ of only 0.105 for the dependent variable of web brand trust. Similar results were obtained when adding in extra scales (i.e. website design and navigation, returns policy and country of origin), and when completing regression analysis using only the attributes that had a statistically significant correlation with brand trust. The results for all three types of regressions increased to $R^2= 0.165$ when the attributes length of time using the internet, length of time purchasing from the internet and frequency of internet purchase on the internet were included.

Hye-Young Kim and Yoo Jin Kwon Soulmates (2011) have explained the relationship of U.S. College Students to Retailer Brands, Apparel retailers are seeking a competitive advantage over other companies and good salesperson service may be a way
to create that advantage; however, management may institute policies that are barriers to
good salesperson service and thus lose that competitive advantage. In a 2 by 2 laboratory
experiment, 200 volunteer college women viewed slides of a store's interior, listened to a
tape of a salesperson resolving a problem according to store policy, and indicated their
satisfaction and patronage intent. Results suggest that in many situations, dissatisfaction
with salesperson service may be the result of policies instituted by management which
fail to meet customer expectations.

Judith A. Garretson, Dan Fisher and Scot Burton (2007) have proposed a model
that addresses the similarities and differences in conceptual antecedents of attitudes
toward private label grocery products, and national brand promotions is proposed and
tested. The proposed model is tested, using a sample of 300 consumers who were
recruited from grocery stores, provided behavioral data from sales receipts of their
shopping trip, and responded to a survey that contained multi-item construct measures.
They predict and find in the study that both price and nonprime related constructs impact
both private label attitude and national brand promotion attitude, but the directionality
and strength of several of these relationships differ.

Ruth N. Bolton and Venkatesh Shankar (1987), clearly identified that most
research categorises grocery retailers as following either an Every Day Low Pricing
(EDLP) or a High Low (Hi-Lo) pricing strategy at a store or chain level, whereas this
paper studies retailer pricing and promotions at a brand-store level. It empirically
examines 1,364 brand-store combinations from 17 chains, 212 stores and six categories
of consumer package goods in five U.S. markets. Retailer pricing and promotion
strategies are found to be based on combinations of four underlying dimensions: relative
price, price variation, deal intensity and deal support. At the brand-store level, retailers
practice five pricing strategies, labeled exclusive, Moderately Promotional, Hi-Lo, EDLP
and Aggressive pricing. Surprisingly, the most prevalent pricing strategy is not Hi-Lo
pricing strategy as is widely believed. It is one characterised by average relative brand
price, low price variation, medium deal intensity and medium deal support.

Alexander Leischnig, Marko Schwertfeger and Anja Geigenmüller (2011), in their
study, focus that retailers increasingly use events in order to provide customers with a
unique shopping experience and differentiate from competitors. This study investigates the impact of retailer events on customers’ attitudes toward the retail brand. More specifically, the authors develop and empirically test a model of event image, event satisfaction, shopping enjoyment and retail brand attitudes using structural equation modeling. The findings of this study show that an event’s image influences customers’ shopping enjoyment, which in turn affects (1) Customers’ satisfaction with an event, and (2) Attitudes toward the retail brand.

Hitesh Bhatia, Daxay Soni, (2010), in their research have emphasised that the origins of retail in India can be traced in fairs and melas (an Indian word for village events to sell and promote goods) which were held across the country for the twin purpose of trade and entertainment. The retail story silently continued in an unorganised structure across every street and its corner in India till early 80s. The process of liberalisation which started during 80s brought modern retail into its veracity. But the contemporary retail is only a re-evaluation of century old activity of traders selling their produce in a collective arrangement. The paper attempts in tracing out the transformation of traditional formats of fairs and melas into the contemporary retailing in India. The modern format of retail is only a gradual evolution of trade from melas to malls contradicting the general theory of revolution.

Srivastava. R. K., (2008), in his research, builds a picture of the changing face of retail taking place in India, is a country poised to become a retail power house. India has well over 12 million outlets of all styles and sizes and international retailing has great opportunity here. With 50% of the population in self-employment, many of them in the retail trade, the impact of this retail boom on small retailers has to be studied. Delhi and Ahmadabad, were taken up for the study of the effect of malls on small retailers. Ahmadabad is the fastest growing business capital of Gujarat. Randomly selected samples of 215 small retailers which are referred to as unorganised with an area less than 500 sq. feet and family owned are chosen. A finding of the present study indicates that 85% of the retailers reported decline in sales. However, in terms of percent, it is only 18% decline in total sales. The average decline in Ahmadabad was 15% compared to Delhi which was 20%. Small retailers are well aware of their competitive position and
adopt adequate strategy accordingly. Store cleanliness is an important change observed during the retail survey. Many retailers have formed cooperative ventures for bulk purchase in Ahmadabad, so that, products can be purchased at more economical price, without affecting the profit. Entry of malls is good for economy and beneficial for consumers. The study took only one metro city and a class city. It will be good to see the impact on B class town even though malls have not gone to these towns. Very useful source in information and review of scenario should help other retailers across the world especially in developing economy to face big giants more aggressively and do better. This paper fulfils an identified information/resources need and offers guidance to small retailers.

Palto R., Datta and Bonya, R., Chakraborty (2009), in their research, believe that customer retention is a much cost-effective strategy than attracting new customers. The customer loyalty subject has become of increased interest to most businesses over the last few years. Loyal customers always bring more profit for the organisation as they are more likely to recommend their friends and family, ready to pay premium prices and have increased repurchase intention. This study sets out to examine the degree of consumer’s loyalty in Bangladesh among consumers who shop from various superstores. The main objective is to empirically investigate the strength of loyalty of Bangladeshi food consumers on the basis of their shopping behavior and store-level service provision, and thus provide evidence, which demonstrates a model of consumer loyalty based on these factors. In order to understand consumer loyalty in Bangladesh, Oliver’s four stage of loyalty model were adopted. A total sample of 150 food shopping consumers, from three leading stores in Bangladesh, were selected randomly and interviewed by trained interviewers. The survey results indicate that Bangladeshi food consumers are conscious of the cost and benefit (Cognitive loyalty) and conscious with satisfaction (Affective loyalty). Satisfied consumers are likely to recommend their primary super store to their family and friends (Co-native Loyalty) and also they have frequencies of visit (Action Loyalty).

Riswana Khatun, (2010), in a study proves that retail sector in India is highly fragmented, and organised retail is at a very nascent stage. As India is entering the global playground of retailing, it is facing critical problems of acquiring and retaining workforce. The industry is facing a severe shortage of talented professionals. With the
advantages like penetration in rural India, retail sector provides the largest number of employment opportunities to the Indian youth. However, faced with high levels of stress and lack of proper career plan, many young professionals are leaving the industry. This study is done, based on the model developed by Firth et.al. Which help the researcher to find the reasons that account for employee turnover? Multiple regression analysis has shown organisational stressors, job stress and commitment to have a stronger impact than job satisfaction towards intentions to quit. As retail industry continues to grow, employee retention is likely to remain a big challenge. Domestic and multinational corporations have begun to enter retailing in India, raising concerns that they will destroy the millions of small stores and street vendor businesses that presently dominate retailing in the country. Policymakers know that corporate retailers can improve the efficiency and productivity of retailing and distribution in India, but they are also concerned about possible harm to small businesses and loss of jobs among those who might not have the skills and training needed to alternative employment. He examines whether corporate retailing has already harmed small retail businesses in India (and to what extent if so) and how much damage might occur in the future. The study shows how corporate retailing might benefit small retailers and consumers and considers how small and large retailers might coexist in a country where, in the next twenty years, 40% of the population and 70% of gross domestic product may be concentrated in urban areas. The author considers problems that may arise if organised retailing grows and suggest ways in which such problems could be addressed by policymakers.

Rajeev Kohli and Jagdish Bhagwati, (2011), in their research suggest that no one has a crystal ball that can perfectly predict how organised retailing will grow in India, but it is likely that it will have a useful and important place. It is not likely that small retailers will disappear from India. Both large and small retailers can and should coexist to serve different consumer segments and needs, and to contribute in complementary ways to the economic development of the country. It is understandable that owners of small stores view corporate retailers as a great threat. No one likes competition, especially from a stronger force. But growth in demand is likely to be large, and increasing population density, especially in urban areas, will require the coexistence of small and large retailers.
As always, policymaking must be based on a balanced assessment of the present and future needs of different groups in society. In the short run, small retailing as a whole is not surviving but thriving, and large corporate retailers are finding it difficult to become portable. In the long run, large corporate retailers can survive if they improve system-wide efficiency and productivity in the distribution chain, something that the country needs and that can benefit small retailers as long as appropriate incentives and regulations are provided. The economic growth of rural areas will become a bigger concern, and policy-makers should find ways to direct investments by corporate retailers to benefit the rural economy and citizens. There are several issues associated with potential misuse of power, which will require careful consideration by policymakers, to keep both consumer markets and distribution systems competitive and open. Lessons learned from developed markets should be used in formulating domestic policy in India.

Reviews related to Awareness

Venkatesh and Ruth (2004) have attempted to study the pricing strategy adopted by retailers. They also listed out the factors for adopting a particular pricing strategy of retailers to four dimensions, such as price consistency, price promotion and integrity, price promotion coordination and retail price brand. The findings are really helpful to retailers for profiling alternative pricing strategies and to manufacturers in customising for different retailers.

The efforts of Martin Pesendorfer (2002), examines temporary price reductions, or sales, on ketchup products in super markets in Springfield, Missouri, between 1986 and 1988. The descriptive data analysis indicated that inter-temporal demand effects were present. A model of inter-temporal pricing, in which demand increases with the number of timer periods since the last sale, was considered and confronted with the data. The estimates indicated that demand increases in the time elapsed since the last sale.

Rajamma, Rajasree K, Paswan, Audhesh K, Ganesh, Gopala (2007), in their study, seek to explore the idea that consumers select a particular shopping mode - i.e. Bricks and mortar versus online outlet - based on their perceptions about whether a product or service is best bought from one or the other. The researcher aims to posit that
this perception is associated with the importance allocated to various shopping motivation dimensions. Data for this study were collected using a self-administered mail survey from 689 internet-enabled US households. They represent a 28 percent response from 2,500 households that received the survey. Extensive non-response analysis ruled out serious bias in the data. The results from this empirical study suggest that different shopping motivations indeed influence perceptions of service type and shopping mode congruence differently. In addition, the results also suggest that services are more likely to be associated with the online shopping mode, whereas more tangible products are likely to be associated with bricks and mortar stores. The findings have significant implications for services retail managers of both bricks and mortar and online service outlets in the areas of segmentations, targeting and retail mix strategies. Apparently, consumers also tend to group related services or products into homogeneous shopping baskets based on their perception of congruence between the product or service and the shopping mode - online versus bricks and mortar store. These findings should help a manager plan for retailing mix strategies, catering to various shopping motivation dimensions, thus enhancing consumer satisfaction.

Larry Lockshin and Eli Cohen, (2011), aim to use product attributes and retail display information to develop cross-national segments. The study uses consumers' choice in wine stores to develop segments of consumers, based on the relative importance of 13 factors consumers use for the retail purchase of wine. Data are collected from 11 countries, using seven languages on five continents. Best worst scaling (BWS) and latent class analysis were used to develop the clusters. The research findings conclude that a three-cluster structure provides a straightforward and robust segmentation across the 11 countries. This model fits better than one based on 11 single country segments. The three segments reveal different ways in which consumers choose wines: cognitive-based, assurance-based and in-store promotion-based. The research limitations are that samples are convenience-based and do not represent the population of wine drinkers in each country. Choice criteria, including retail communications, can be used to develop useful and robust segments cross-nationally.
Alan Collins and Burt Steve, (2003), in their paper investigate the determinants of retailers’ product monitoring intensity within retail brand trading relationships. Drawing on the transaction cost and power literatures, it proposes that retailer trade-off monitoring intensity against market orientated sanctions to protect against supplier opportunism. Based on a survey of 55 food manufacturers, the findings demonstrate that retailers’ product-related monitoring intensity is positively related to the retailer's strategic use of retail brands, positively related to the manufacturer's specific investments in the relationship with the retailers, but negatively related to the retailers’ ability to impose market-orientated sanctions on the manufacturer.

Kathleen Seiders and Carolyn L. Costley, Kathleen Seiders, Carolyn L. Costley (1994), in a study reported the simultaneous market entry by 3 supermarket chains. The researcher conducted a field study to explore consumer responses to this intensified retail competition and price warfare. The researcher investigated consumers' use of price for store choice and the accuracy of their perceptions about retailer price positioning. A content analysis of pricing tactics determined that communications to consumers changed substantively after the entry event. Finally, consumer survey provided evidence that price played an unusually prominent role in store choice decisions and that consumers had very accurate perceptions of market pricing. The researchers found that consumers became sensitised to price and probably reformulated their concepts of "low" price. Consumers' reevaluation of low price would likely be manifested by erratic or shifting patronage behavior.

Priya Raghubir (2000), in a study notes that as coupon is a commonly used sales promotion device offering the user, a discount on the purchase of a product. Consumer coupon offerings are also becoming increasingly diverse: from “% off” and “$ off” to “Buy one, Get one free” (BOGO) offers and co-promotions (Buy X, Deal on Y). This research reports the results of three experiments that examine whether the economic value of a coupon is a source of information to infer the price of the product/service, and the quality of the product/service, which inference can undercut the economic value, with resulting consequences for deal with evaluations and purchase intentions. The framework predicts, and empirical results show, that increasing the value of the coupon does not
always improve deal evaluations or purchase intentions. This could imply lower profits for the company. The presence of past price information about the brand, information about prices of other brands offered by the company, and information about competitors’ prices moderate the impact of coupon value on brand-related inferences. When such alternate sources of information are present and are diagnostic of the price of the promoted product, consumers are less likely to infer price and quality from the value of the coupon and higher coupon values are more likely to increase deal evaluations and purchase intentions.

The article by Yoon C. Cho (2007) has explored those variables, such as gender and brand name impact and also consumer satisfaction were highly related to the customers’ willingness to purchase. The major findings provided implications and offer suggestions to various retail formats, such as catalogue business, e-business and e-business including catalogue sales.

The article by Bhattacharya, Priyanka (2007), focuses on the retail trade of personal care products in India. Increasing brand awareness and demand for high-end products among India's increasing population makes the country's cosmetics and skin care market a growth opportunity. In return, retailers are ready and willing for international brands to put up shops in the country. According to industry experts, there is an obvious excitement in the Indian retail sector marked by strong and persistent purchasing power of their women.

Khare, Arpita, Rakesh and Sapna (2011) find that growth in organised retail formats in India has been boosted by the liberalisation policies pursued by the government. The transformation in the retail landscape is apparent, as malls are being set-up across the country. This research has given priority to customers' perception and behavior towards malls. There is little research from the retailers’ perspective. This paper explores retailers' satisfaction towards malls. The analysis revealed three key variables: mall management, service and entertainment facilities. Retailers' satisfaction with malls is affected by efficient mall management and can be increased by professional mall management, arrangement of stores, promotional activities and inclusion of anchor stores.
An empirical analysis done by Karen H. Hyllegard, Jennifer Paff Ogle, and Brian H. Dunbar (2006) reveal that the Recreational Equipment Incorporated (REI) Denver flagship store represents a spectacular consumption site that builds REI's brand identity and corporate image as an environmentally responsible business while contributing a unique combination of lifestyle retailing and sustainable development to the community. This study explored the relationship between consumers' identities and their responses to spectacular and sustainable retail design at REI Denver. The research was guided by an integrative conceptual framework, proposing that consumer identity may shape responses to a spectacular consumption site, including perceptions about store atmospherics and intent to patronise that site. A store intercept survey approach was used to collect data from 186 consumers. The study depicts that consumer identity as an outdoor enthusiast and/or an environmentally responsible citizen had little impact on consumers' perceptions about the importance of selected store atmospherics in the decision to shop at REI Denver but did influence some of their intended REI patronage behaviors.

An article by Vincent R. Nijs, Shuba Srinivasan, Koen Pauwels (2003) revealed that multivariate time-series analysis of two rich data sets, that the authors have quantified the relative importance of competitive retailer prices, pricing history, brand demand, wholesale prices and retailer category-management considerations as drivers of retail prices. Interestingly, competitive retailer prices account for less than 10% of the over-time variation in retail prices. Instead, pricing history, wholesale price and brand demand are the main drivers of retail-price variation over time. Moreover, the influence of these price drivers on retailer pricing tactics is linked to retailer category margin. The authors have found that demand-based pricing and category-management considerations are associated with higher retailer margins. In contrast, dependence on pricing history and pricing based on store traffic considerations imply lower retailer margins.

The aim of the research done by Nanda Kumar, Surendra Rajiv, Abel Jeuland (1996) was to examine the effectiveness of trade promotions. The authors have emphasised that trade promotions are temporary price cuts that manufacturers offer retailers to encourage them to reduce retail prices. While trade promotion spending as a percent of marketing budgets has increased dramatically, the inefficiency of trade promotion represents the
"number-one concern" among manufacturers, as indicated by recent trade surveys. At the heart of this dissatisfaction lies manufacturers' concern regarding widespread retailer opportunism with low retail pass through.

The efforts of Karsten Hansen and Vishal Singh (2000) in their study stated how market structure within a product category varied across retail formats. Building on the literature on internal market structure, the authors estimated a joint store and brand choice model where the loading matrix of brand attributes are allowed to be retail format specific. The approach allowed recovering brand maps for different retail formats while controlling for the short-term marketing mix activities at these stores and the self-selection of households that frequent a particular format. The model is applied to consumer panel data from two product categories, where households are observed to make purchases across three store types: high-end grocery store, traditional supermarket and large (EDLP) everyday low pricing formats. The results showed strong correlations between the marketing mix sensitivities, store format preference and unobserved brand attributes.

Reviews related to Perception

An article written by Alan J. Dubinsky and Michael Levy (1985), pointed that research internet on ethics has increased substantially within the past 20 years. The frame of reference should be of importance because the nature of the retail sales job may lead to ethical problems for sales personnel.

Morales, Andrea C, Barbana Kahn, Leigh Mc Aliste and Susan. M. (2005), in their article, found that in familiar product categories, greater congruency between shopping goals and store’s external layout produced higher perceptions of variety and satisfaction with product choices, whereas in unfamiliar categories, congruency decreased perception of variety but increased satisfaction of customer preference.

A research paper written by Stephanie Noble, David Griffith and Mavis Adjei (2006), have researched to gain a deeper understanding of local merchant loyalty. They used gender theories and shopping motivation to hypothesise drivers of consumer’s local merchant loyalty. They concluded that gender significantly influenced shopping motives and shopping motivation differences influenced local merchant loyalty.
Kemal Y Chatterjee (2001), has found the effects of negative reviews on consumer’s decisions to patronise the retailer, given that consumers needed to purchase particular products. He concluded that the result showed that a majority of participants wanted to access product reviews when they were told that these reviews were available and he found that the effect of negative consumer reviews on consumer’s perceptions of the reliability of a retailer and patronage intentions were moderate by the level of familiarity with the retailer.

A study done by Gerrard Macintosh and Lawrance S. Lockshin (1997), aimed to determine considered interpersonal relationship between retail sales people and customer important factor in retail store loyalty as a key factor. However relationships can also exist at person-to-person level. The paper examined the linkage between trust in a sales person, trust in the store and repeat purchase intention. A model of store loyalty which includes relationships at the person- to- store as well as person-to-person level ways an interpersonal relationship, trust and commitment to the sales person are directly linked through store attitude. For customers without a sales person relationship, trust in the store leads to loyalty indirectly through store attitude, but does not have a direct impact on purchase intention. The results illustrated the existence of multi-level relationships between customers and stores and how those relationships link to store loyalty. The relationship added to the customer understanding of the complexity of relationship retailing, while providing further evidence of the value of generating and maintaining interpersonal relationship as a retail strategy.

An attempt made by Kemal Yildirim, Aysu A Kalin – Baskaya, M. Lutfi Hidayetoglu (2007), determine the effects of a store window type (flatter or arcade) on consumer’s perception of store window (promotion, merchandise and fashion) and shopping attitudes (intentions for store entry and purchase) in the context of retail clothing sales. They have concluded that consumers seem to have a more positive perception of flat windows than arcade windows with respect to promotion, merchandise and fashion. Further, they have identified that compared to females, males evaluated the store windows more positively.
An article by Morschett, Dirk., Swoboda, Bernhard, Foscht, Thomas (2005), study how motivational forces are commonly accepted to have a key influencing role in the explanation of shopping behavior. In retailing, shopping motives are a field of research that has received considerable attention, often in combination with motivation-based shopper taxonomies. While personal shopping motives and perceived shopping alternatives are often considered independent inputs into a choice model, the researchers argue that shopping motives influence the perception of retail store attributes.

In a study reported by Feinberg, Richard A Smith, Peter, (1989), the researchers studied the consumers and sales associates estimated transaction time in a retail environment. Consumers overestimated and sales associates underestimated transaction times. As a result, on a practical level, delivering timely and effective customer service is probably impaired by misperceptions of time. On a broader level, time perception may be a more significant variable in consumer behavior than witnessed by the scant literature focusing on this issue.

Research carried out by Remer, Anja, Kuehn, Richard (2005) point out that although numerous articles emphasise the importance of the servicescape (the physical facilities of a service company), the effect of the servicescape on quality perception has been inadequately captured by previous empirical research. The purpose of this paper is to examine the impact of the servicescape on perceived quality in a more comprehensive way. The article proposes a new model for assessing the effects of the servicescape on quality perception based on SERVQUAL. Additionally, a more comprehensive scale for the servicescape is suggested, which exceeds the mostly tangible aspects of the physical environment covered in the SERVQUAL scale. The model is tested in a population survey in two service industries (retail banking and restaurants). Findings show that the servicescape plays a greater role than was supposed in most previous studies. The servicescape is not only a cue for the expected service quality, but also influences customers' evaluations of other factors determining perceived service quality. Thus, the servicescape has a direct and an indirect effect on perceived service quality, which leads the servicescape to a high overall effect. The results also show that the servicescape is of greater importance in determining customers' evaluations of the expected service quality.
in a hedonic service compared to a utilitarian service. Research implications/limitations - Since the results of the study refer to two specific industries, the empirical results should be used with care. Thus, it would be conceivable that the influence of the servicescape might be larger even in utilitarian services if the customer spends an extended period in a facility. It is also worthwhile to consider the price paid for the service and consumer perceptions of quality relative to the price paid in future research. Further shortcomings of the study result from problems in examining the measurement models. Clearly, more effort is needed to develop a comprehensive measurement tool for assessing the service quality. Since the present study was primarily aligned with the general question about the meaning of the servicescape, the results obtained do not allow concrete managerial implications for the use of different servicescape elements. There is a need for further research examining the effect of single aspects. Practical implications - Service providers should give careful consideration to their servicescape. In accordance with findings from environmental psychology, the servicescape may not remain limited to tangible elements, but must also consider ambient components such as odours and background music. This paper provides a better assessment of the meaning of the servicescape from previous approaches. The servicescape is shown to be of greater importance for the perceived service quality than has been assumed.

A study was made by Kearns, Ryan, Hair, Neil (2008); this article examines the perceptions of consumers' relationships with commercial organisations in electronic environments. The researchers examined using personal construct theory operationalised by means-end chain analysis. These approaches have a long tradition of being used to identify personally meaningful constructs by tracing the common attributes of their online experience with their consequences, and ultimately the personal values that they pertain to. The study reveals 8 major themes that conceptualise consumers' perceptual orientations of their relationships with online retailers: personalisation, engagement and experience, convenience, design/ease of use, trustworthiness, ability to inform, reliability and specificity/variety.

The purpose of the article done by Kim, Minho, Oh, HanMo, McNiel, Ronald D. (2008) is to identify the factors that might lead to the customer satisfaction in the online shopping malls across Korea. It is hypothesised that customer's positive perception of
usefulness of internet shopping, security, technical competence, customer support and the interface of shopping mall positively affects the customer satisfaction. It is also hypothesised that a satisfied customer becomes a loyal customer. The survey results confirm that customer satisfaction has a significantly positive impact on the customer loyalty, which reveals that internet shoppers show high loyalty when they are satisfied with the service. The researcher also find that online customers' risk perception about the security of the transactions, customer support to the online shopping and interface of the shopping mall are positively related to the customer satisfaction.

The purpose of the research paper done by Swoboda, Bernhard, Haelsig, Frank, Schramm-Klein, Hanna, Morschett, Dirk, (2009), is to focus on one of the main antecedents of consumer behavior concerning its role in building a retail brand. It addresses how consumer involvement influences perception of retailer attributes, which affects customer-based retail brand equity when considering retailers as brands. A model is developed and it includes the impact of central dimensions of the perception of retailer attributes, their effects on customer-based retail brand equity and the moderating role of consumer involvement. The empirical study is based on a sample of 3,000 consumers in this research. This researcher is using multiple-group structural equation modeling. The intersectional relevance of involvement as a moderator in building a strong retail brand is demonstrated; whereas the influence of price, communication and store design is greater on highly involved consumers than on those with low involvement, the influence of service and assortment is greater in consumers with low involvement. Since consumers with a different level of involvement have a different perception of retailer attributes, this factor is relevant to retail branding.

Durkin, Mark, O'Donnell, Aodheen, Mullholland, Gwyneth, Cro, Joseph (2007) presented “On e-banking adoption: from banker perception to customer reality”. The research found that increasing the role of technology in a service organisation can serve to reduce costs and often improve service reliability. For this reason, and as the Internet becomes yet more pervasive in retail banking, the importance of understanding influences on customer adoption behavior of e-banking is increasingly important. This study adopts a quantitative methodology and examines customer communication preferences when interacting with their bank, with a particular focus on Internet banking registration.
A customer satisfaction questionnaire was issued to over 2,000 retail customers. Through regression analysis the key predictors that indicate whether or not customers will register as Internet banking users the researcher identified five senior branch bank managers. The researcher then asked to rank the same set of issues to ascertain what they felt to be the key influencers to customer registration for Internet banking. The similarities and differences between the two sets of findings are identified and the managerial implications for the case and the bank's marketing strategy discussed.

The aim of the research done by Jing, Pingjun, Rosenbloom, Bert (2005), are to compare the emphasis that service quality research has received in online marketing. Much less work has been done on the role of price perception, service attribute-level performance and satisfaction that unfolds over time, and their effects on customer retention. This paper builds propositions about the role of price and customer satisfaction at different stages on customers' intention to return. Research hypotheses are developed based on theory from the combined literatures of services, product pricing and behavioral decision theory. The findings of this study indicate that after-delivery satisfaction has a much stronger influence on both overall customer satisfaction and intention to return than at checkout satisfaction, and that price perception, when measured on a comparative basis, has a direct and positive effect on customer overall satisfaction and intention to return. This paper concludes that excellence pre-sales service is not necessarily an advantage that allows retailers to develop customer retention. In fact, retailers might command higher customer retention through providing good performance in after-delivery service and continuously generating favorable price perceptions among customers because both have a strong and positive influence on return intention. This research conceptualises and explores different aspects of satisfaction that unfold over time, regarding customers' whole shopping experience with a particular retailer.

Thang, Doreen Chse Lin,Tan, Benjamin Lin Boon, (2003), in this study, using a stimulus-organism-response (S–O–R) framework, examines the S–O–R relationship of consumer retail behavior. In particular, the researchers focus on how consumer perception of the attributes of store image affects their preference for the stores. The stimuli that pertain to store attributes include merchandising, store atmosphere, in-store service, accessibility,
reputation, promotion, facilities and post-transaction service. Consumers’ preference is based on their post-visit ranking of the stores. Eight hypotheses the researcher developed and tested, with data collected from a survey using a random sampling approach. The researcher identified the following attributes as significantly influencing consumer preference: merchandising, accessibility, reputation, in-store service and atmosphere of the stores.

A Study on by Prasad, J. S, Reddy, D., Raghunatha, (2007), facilitate how the Indian food and grocery retail sector is in the transformation mode for various reasons like strong macro-economic fundamentals and the changing socio-economic scene are driving what the researcher once saw as traditional and small scale retail outlets changing into organised retail formats aimed at catering to the evolving tastes and needs of the discerning consumers. But the very fast changing trends in food and eating habits of consumers have contributed immensely to the growth of the researcher format typologies such as convenience stores, departmental stores, supermarkets, specialty stores and hypermarkets. This has happened for various conspicuous reasons, namely, demand and supply, socio-cultural, demographic, psychographic, economic and technology advancements like a large segment of young population, a rapidly expanding middle class, rising income levels, growing literacy, increasing number of working women and nuclear family structures which in turn have created an enormous demand for consumer goods and paved way for modern retail formats. Thus, understanding of demo-psychographic dynamics has become an imperative in designing modern food and grocery retail formats based on the purchase patterns. The study is purely based on primary data and necessary secondary data to reinforce the model. A total of 200 retail customers in Hyderabad actively participated in the survey.

Kaul, Subhashini. Vikalpa (2007), on service quality being increasingly perceived as a tool to increase value for the consumer; and as a means of positioning in a competitive environment to ensure consumer satisfaction, retention and patronage. Existing research indicates that consumers satisfied with the store's service quality are most likely to remain loyal. Indian retailers do not have an appropriate and established instrument to measure service quality. This study examines the Retail Service Quality Scale (RSQS) developed in the US for applicability in India. RSQS has five dimensions and six sub-dimensions and has been found appropriate in a variety of settings across
different countries such as South Africa and Singapore and across a variety of store types such as supermarkets, department stores, and hyper markets. The five dimensions -- Physical Aspects, Reliability, Personal Interaction, Problem Solving and Policy are believed to capture distinct though correlated aspects of retail service. Each of the first three dimensions has two sub-dimensions. These six sub-dimensions, also called the first-order factors, are labeled as Appearance, Convenience, Promises, Doing-it-Right, Inspiring Confidence and Courteousness / Helpfulness. The dimensions and sub-dimensions provide strategic focus areas for retailers, enabling them to improve certain aspects of store service where performance is relatively poor.

Bick, Geoffrey, Brown, Andrew Beric, Abratt, Russell, (2004), in their paper examine the perception and expectations of banking customers regarding the value being delivered to them by retail banks in South Africa. A literature review dealing with the concept of value was undertaken and it presents the value disciplines of operational excellence, product leadership and customer intimacy. Results of a study of 150 managers are presented. The results show that customers were not satisfied with the service, products and level of customer intimacy delivered to them by their banks.

The main objective of an article written by Joseph, Matthew Ibeh, Kevin I. N. (2006), aims to explore the key factors of the electronic service quality perceptions of UK banking customers and to evaluate the customers' perceptions of their banks' actual performance. A survey has been used to collect primary data and 135 usable questionnaires the researcher used in the analysis. The major findings are exploratory factor analysis which uncovered six composite dimensions of electronic service quality, including the provision of convenient/accurate electronic banking operations, the accessibility and reliability of service provision, good queue management and service personalisation.

Ha, Sejin, (2007), tried to develop a model of customer loyalty programme success that builds a strong and positive customer-retailer relationship. Building upon social identity theory and Bhattacharya and Sen’s (2003) consumer-company identification model, this study proposed a model that two socio-psychological factors in relation to a customer loyalty programme (loyalty programme distinctiveness and identity relevance) would influence the consumer to identity and their responses to the loyalty programme.
The researcher based experiments and examined the proposed model across two parts in an apparel retailing context. Part 1 demonstrated the significance of distinctiveness and identity relevance regarding a customer loyalty programme in enhancing consumer perception of identity salience as a member of the customer loyalty programme. The researcher proposed the moderating role of perceived trustworthiness of customer loyalty programme on the two contextual factors of the customer loyalty programme. Part 2 explored the effects of consumer perception of identity salience as a member of the loyalty programme on their evaluative (attitude towards the focal retailer) and relational (customer-retailer identification and satisfaction) responses. The researcher suggested that consumer perception of identity salience as a member of the loyalty programme evoked by distinctiveness and identity relevance relating to the loyalty programme positively influences consumer attitude toward the retailer, customer-retailer identification and satisfaction. This study will contribute to the literature on social identity theory, customer-company identification model, the functional theory of attitude and distinctiveness theory by providing empirical evidence of theoretical explanations within the context of a customer loyalty programme in apparel retailing. The findings of this study will also allow retail marketers to design and implement customer loyalty programme that build and cultivate a loyal customer-company relationship.

Research done by Wayment and Tawna (2002), developed a profile of the Sanpete Trade Association’s (STA) typical consumer, to examine the attitudes and perceptions consumers had towards the products and service quality at STA, and to determine if service quality impacted consumers’ purchasing behavior. The study indicated that the consumers’ attitude towards the products and his or her perception of service quality offered could be used to predict whether a consumer spent money at the STA. Customer’s age along with consumer, who were first time visitors, also significantly predicted purchasing behavior. It was also noted that trends existed between purchasing behavior and the factors of age, education, marital status and income. The results will provide direction for incorporating service quality into business management strategies.
An article by Morschett, Dirk, Swoboda, Bernhard, Foscht, Thomas (2005), focus on how motivational forces are commonly accepted to have a key influencing role in the explanation of shopping behavior. In retailing, shopping motives are a field of research that has received considerable attention, often in combination with motivation-based shopper taxonomies. While personal shopping motives and perceived shopping alternatives are often considered independent inputs into a choice model. The researchers argue that shopping motives influence the perception of retail store attributes as the attitude towards retail stores.

**Reviews related to Satisfaction**

A study conducted by Kristy E. Reynolds and Sharon (1999), mentioned that building customer relationships is a top most priority in many firms. The study examined the benefits customers receive from relationships with clothing / accessories sales people. It found that relationship benefits are positively associated with satisfaction, loyalty, word of mouth and purchase.

Anne W. Magi (2003), has described how retailing consumers typically patronise multiple outlets. Thus, an important issue is, why consumers vary in, how they divide their purchases across outlets and how outlets can get a greater share of customers to raise customer satisfaction and loyalty cards as well as customer characteristics. This study examines the effects of customer satisfaction and loyalty cards as well as customer characteristics on customer share spent on the primary grocery store.

An empirical study written by Roger Hallowell (2000), focus on the findings of a study performed on data from a large food industries retail operation and illustrates the relationships of customer satisfaction to customer loyalty and customer loyalty to profitability, using multiple measures of satisfaction, loyalty and profitability. An estimate of the efforts of increased customer satisfaction on profitability, (assuming hypothesised causality) suggested that attainable increase in satisfaction would dramatically improve profitability.

Halstead, Diane (1989), carried out a research with an objective on the disconfirmation process and on expectations as determinants of customer satisfaction level only when compared to actual product performance.
Treytl and Kristina Joy (2002) in their research present that little research has been conducted focusing on the satisfaction of specific employee groups on a particular facet of customer satisfaction. This study examined the relationships between the satisfaction of sales professionals and the overall satisfaction of customers reported with the sales process. Employee satisfaction data of sales professionals from a Fortune 500 software company were correlated with data from the customer satisfaction survey. The result indicated a significant correlation between satisfaction with training, management, performance management and compensation / benefits.

An empirical investigation done by Miguel I. Gomes, Edward W. Mc Laughlin and Dick R (2004), measured the links between store attribute perceptions and customer satisfaction function and sales performance. The data set consist of six waves of customer satisfaction and sales data for about 250 retail outlets over the period 1998 – 2001 for a publicly held super market company. They constructed a statistical model to address non linearity’s and symmetries in the customer satisfaction and sales performance links and illustrated how retailers can affect store revenues by managing customer satisfaction. Contributions of their study included the analysis of behavioral consequences of customer satisfaction in the food retail sector, the accommodation of complexities in the satisfaction – sales performance links based on an empirical model of first differences and a discussion of how managers can employs the results for satisfaction policies.

Ravi Pappu, Pascale Quester, (2006), examine the relationship between consumers' satisfaction with a retailer and the equity they associate with the retail brand. Retail brand equity is conceptualised as a four-dimensional construct comprising: retailer awareness, retailer associations, retailer perceived quality and retailer loyalty. Then the associative network memory model is applied from cognitive psychology to the specific context of the relationships between customer satisfaction and consumer-based retailer equity. A survey was undertaken using a convenience sample of shopping mall consumers in an Australian state capital city. The questionnaire used to collect data included an experimental design such that two categories of retailers were included in the study: department stores and specialty stores, with three retailers representing each category. The relationship between consumer-based retailer equity and customer
satisfaction was examined using multivariate analysis of variance. Results indicate that retail brand equity varies with customer satisfaction. For department stores, each consumer-based retailer equity dimension varied according to customer satisfaction with the retailer. However, for specialty stores, only three of the consumer-based retailer equity dimensions, namely retailer awareness, retailer associations and retailer perceived quality, varied according to customer satisfaction level with the retailer. The principal contribution of the present research is that it demonstrates empirically a positive relationship between customer satisfaction and an intangible asset such as retailer equity.

An article by Hurley, Robert F and Estelami, Hooman, (1998), examines how customer satisfaction and service quality measures obtained through consumer surveys invariably have skewed distributions. Researchers have questioned the appropriateness of the popular approach of using the mean rating to summarise such data. However, no detailed study on this topic has yet been conducted. In two independent studies, the relative validity of the various indexes that can be used to summarise consumers' service quality ratings (e.g., mean, median, mode, kurtosis, skewness, top / bottom-tail percentiles) are examined. In Study 1, using typical commercial survey data from a fast-food/convenience retail chain, both the mean and top-box percentiles are found to be the best indicators of service quality, based on their correlation with customer-driven business performance measures. In Study 2, the results are further confirmed by an extensive simulation that varies factors such as the shape of the underlying distribution of customer ratings and the strength of the relationship between customer ratings and business performance measures.

Chatterjee, Patrall (2007), in their research paper aims to investigate how consumers differ in their interpretation of advertised and "surprise" (or unexpected) next-purchase coupons as delayed rewards or immediate losses based on promotion context and coupon start date restrictions. Two laboratory experiments examine how consumers respond to next-purchase coupons. In Study 1, next-purchase coupon types (advertised; unexpected) vs. competing brand promotions (yes; no) vs. coupon start date restriction (unrestricted; restricted to future start date) between-subjects experimental design was used to examine the impact on purchase satisfaction, perceived promotion.
value, and perceived retailer fairness. In Study 2, four between-subjects factors were used to examine the impact on purchase satisfaction, perceived value, and retailer fairness: next-purchase coupon type Vs. coupon start date restriction verses coupon target restriction (brand-specific; non brand-specific) and the measured need-for-cognition variable (high; low). The findings of the Study 1 indicate that unexpected next-purchase coupons lead to higher purchase satisfaction but lower perceptions of retailer fairness compared to advertised coupons. Study 2 indicates that consumer predisposition toward effortful thought (NFC) amplifies the impact of unrestricted start date on perceptions of retailer unfairness. Furthermore, this effect is stronger on purchase satisfaction and perceived value for unrestricted unexpected next-purchase coupons.

Yranesevic, Tihomir, Vignali, Claudio, Vignali, Daniella (2004), in their article identify the importance of tangible and intangible values for customers. It further explains the manner in which these values are constructed. It recognises the hierarchy of dimensions which constitute value for the customers and observes the theoretic analyses (models) of the hierarchies of value dimensions. The article points to features as constituent parts of the value dimensions and attempts to determine the axioms of values for customers. The article further determines the relationship between the quality and the value of products and services and indicates the dimensions of the quality of services as a precursor to the concept of values for the customer.

The study reported by Tor W. Andreassen, Line L. Olsen (2008), motivated the business, mixed response to increasing demand for customer service, leaving the question as to its impact on performance open. The study is concerned with the impact of customer’s perception of customer service on variables that are known to drive revenue, i.e. customer satisfaction, perceived relative attractiveness and commitment. Data were collected through a survey among bank customers. Two groups were sampled: customers who have experienced good or bad customer service. The hypotheses were tested by applying structural equation modeling and running two group analysis using the PLS and LISREL software. Customers that experience bad customer service do take into account the same variables in their evaluation as do customers that experience good customer service. They do however, put different weights on every factor in the evaluation process.
Also the strength of the relationships between the variables seems to differ. Typically, analyses showed that customers experiencing bad customer service tend to consider more thoroughly all aspects of the service; the relationships between the variables were stronger and the explained variance of each construct higher, than in the group of customers experiencing good customer service. From this study, investing in customer service in ongoing customer relations is "the right thing to do" as it is linked to customer equity through customers commitment to the firm. Second, as customer service in such relationships drives perceived relative attractiveness, saving the bottom line by cutting back on the human side of the customer interaction, may harm the firm’s competitive position in the marketplace.

Ismail, HishamudI, Khatibi, Al (2004) presented their paper entitled “Study of the Relationship Between Perception of Value and Price and Customer Satisfaction: The Case of Malaysian Telecommunications Industry”. The objective of this study is to examine the co-relationship between customer satisfaction, service quality and perception on value for leased line service in Malaysia telecommunication industry. In conducting the survey, the authors distributed the questionnaire to 245 respondents by using three data collection techniques i.e. personal interview, telephone interview and mail survey. Findings indicate that there is a relationship between the customer satisfaction and service value. The empirical findings in this study also indicate there are a significant relationship between overall customer satisfaction level and overall quality of service and the tested variable i.e. perception on the current price and the perception on the current value. In this study, the authors suggest that in order to increase value of service, enhancement should be concentrated more on the service quality aspect rather than customer satisfaction.

Hung, Humphry, Wong, Y. H. (2007), propose a model of organisational perception of customer satisfaction which posits that, given a lack of first-hand information on customer responses, organisations tend to adopt a process-based approach of evaluating the level of satisfaction of their customers. This evaluation process depends, not on the assessment of actual outcomes such as sales revenue and customer complaints, but instead on the organisational efforts involved in satisfying the needs of customers. The propositions are tested by surveying 150 e-banking service providers and the data supports the hypotheses.
Omar, Nor Asiah, Musa, Rosidah, Nasri, Muhamad Asrin, Gadjah Mada, (2007), investigate to determine whether loyalty programme perceived value could influence programme satisfaction, programme card loyalty and store loyalty are critical to elucidate the roles and significance of the constructs and advancing management practice. Accordingly, in line with this research direction, this study aims to assess the effects of programme perceived value offered by few leading retail superstores and departmental stores in Malaysia on its members' loyalty towards the store. The data set utilised in this study has been obtained via quota sampling technique, where a sample of 153 retail loyalty programmes’ members was analysed. An integrative conceptual model was developed and tested using Structural Equation Modeling using AMOS programme. The results exemplify that loyalty customer perceived value is a strong driver of programme satisfaction and programme card loyalty. Unexpectedly, programme perceived value is not a significant predictor of store loyalty, but, it has an indirect effect on store loyalty mediated by programme satisfaction. Continuous plea in marketing management is to make marketing instruments more efficient.

The main objectives of the study written by Léo, Pierre-Yves; Philippe, (2002), are to analyse commercial malls. It is commonly assumed that the consumers' decision concerning the place they choose usually for shopping depends essentially on the distance to the mall. This paper shows that, for such decisions, the consumer's satisfaction (an indicator widely used for evaluating the quality of a service) plays at least an equally important role in metropolitan areas where commercial sones are numerous enough to lead consumers to choice decisions. How the consumer builds up his/her satisfaction is the second point of this article. Different aspects (perception of shopping possibilities, expected pricing practices, general global environment) of each commercial sone do combine in the consumer's mind producing satisfaction or dissatisfaction. In these combinations, access conditions appear clearly to play a secondary role. It confirms that the two variables (access and satisfaction) are independently assessed by consumers. The city centre pedestrian streets are generally evaluated by the consumers with the same criteria as the outer commercial malls but they differ on some important aspects. These differences distinctly arise from specific consumers’ expectations towards the two kinds of commercial sones.
An empirical analysis by Nancy F. Stanforth and Sharron J. Lennon, (1997), focus on how an apparel retailer are seeking a competitive advantage over other companies and good salesperson service may be a way to create that advantage; however, management may institute policies that are barriers to good salesperson service and thus lose that competitive advantage. In a 2 by 2 laboratory experiment 200 volunteer college women viewed slides of a store's interior, listened to a tape of a salesperson resolving a problem according to store policy, and indicated their satisfaction and patronage intent. Results suggest that in many situations, dissatisfaction with salesperson service may be the result of policies instituted by management which fail to meet customer expectations.

Research was carried out by Heiner Evanschitsky, Gopalkrishnan R. Iyer, Josef Hesse and Dieter Ahlert (2004), which studies E-satisfaction as a construct has gained increasing importance in the marketing literature in recent times. The examination of consumer satisfaction in an online context follows the growing consensus that in Internet retailing, as in traditional retailing, consumer satisfaction is not only a critical performance outcome, but also a primary predictor of customer loyalty and thus, the Internet retailer's endurance and success.

Dotson, Jeffrey P, (2009), report that firms are most successful when they are able to efficiently satisfy the wants and needs of their clientele. As such, customer satisfaction has emerged as one of the more ubiquitous and often studied constructs in marketing. Central to the study of satisfaction is the desire to understand its antecedents and outcomes. Managers would ultimately like to know how their actions will impact the satisfaction of their consumer base and, by extension, the company's financial performance. Through two essays, this dissertation develops quantitative models that allow for formal study of the relationship between customer satisfaction, employee satisfaction, and firm financial performance. The proposed models are designed to accommodate a variety of challenges often encountered in satisfaction studies including simultaneity, linkage of distributions, and the fusion of multiple data sets. The benefits of these models are demonstrated empirically using data from a national financial services firm.
Reviews related to Acceptance

The study stated by Vella, Paul J, Gountas, John, Walker, Rhett, (2009), clearly depicted that internal organisational aspects of service delivery from the employee's perspective have received some attention in the literature. However, there is a need for more detailed empirical research to explore the possible impacts of specific internal service factors (ISFs) on service quality. This paper seeks to consider the overall influence of customer-employee interactions, and to discuss and test empirically the relative influence of five ISFs that interface with internal marketing strategies. Empirical data were collected from a sample (n = 202) of supermarket employees across a large metropolitan city. The data analysis used bivariate correlations, stepwise regression, and structural equation modeling. The main research findings, from the employee perceptions of service quality, suggest that there are three main predictor variables, namely, service orientation, service role flexibility, and non-standardised scripted behavior. The most important internal service quality predictor variable is employees' service orientation attitude, followed by non-standardised scripted service behavior and third by the organisational policy to adopt and change (flexible) service roles. The research needs to be expanded by investigating simultaneously the viewpoints about service quality by managers and actual consumers. Retail marketing managers need to be mindful that ISFs have the potential to indirectly influence consumer perceptions through employee behaviors’ and perceptions of customers' needs. The five ISFs identified in this research can serve as a basis for differentiating a service brand. The paper highlights the importance of five internal service success factors that influence service quality.

The study by Pisharodi, R. Mohan (1994), makes an attempt to address issues related to store attributes and their relevance in the store selection process. The growth of retail in India is reflected in the rapid relationship between supplier-customer differences in the perception of customer service levels and customer preference for supplier. Includes the importance of customer service; Process of the customer service delivery; Factors influencing the success of a customer service strategy; Research methods and procedures.

Ghosh, Piyali; Tripathi, Vibhuti, Kumar, Anil. (1995), inferred that growth trend has been challenged by the shadow of the current economic slowdown, which has raised
a fear of dip in consumption and slowdown of growth for Indian organised retailers. At a time when consumer spending is on decline, success will lie with those retailers that can drive customer loyalty by responding to the demands of the discerning consumer. This study is an attempt to address issues related to store attributes and their relevance in the store selection process.

Interpersonal perception method: an additional dimension of the feeling of being misperceived and self-acceptance by Kumar, Usha, Vachani, Sushil, Laing, Phillipson, and Lee, (1977), in designing the interpersonal perception method, intended to measure and provide an understanding of the "conjunctions and disjunctions, of two individuals in respect of a range of key issues with which they may be concerned in the context of the didactic relationship." They suggested a number of formal reciprocally matched comparisons that are possible in this dyadic system. However, not suggested by these authors is a comparison between an individual's met perspective and his own direct perspective which is defined as the person's level of feeling misperceived?

Changing retail scene in India by Srivastava, R. K. (2008) in their study report that the research presented here aims to build a picture of the changes in retail taking place in India. India is poised to become a retail power house. The paper looks at the changing scene in the retail sector in view of many MNCs are acceptance and large industries entering into this segment. Data were drawn from industry sources which included national and international published sources from 1993-2006. The findings presented show that malls in 2006 are more developed in the North and West part of India. Food, groceries and apparel purchase by customers contributed to 52 percent. On average 75 percent of customers spend about 1-3 hours in the mall. Malls with multiplexes such as cinema theatres, food courts, and play places for children are becoming the centre for family outings. Small retailers have improved their service to cater to Indian consumers. Credit limits and home service are helping them to hold on to their customers. Retailing focus is changing towards satisfying the different hierarchy of needs of customers. All are from Indian perspectives which perhaps limit its usefulness elsewhere in the world.
Susan S. Fiorito and Ann E. Fairhurst, (1993), compare the job content of apparel buyers in large and small retail companies. Data were collected from 100 department store buyers and 153 independent specialty store buyers in four merchandise categories: women's, men's, and children's apparel and other apparel and accessories. The Position Analysis Questionnaire was used to describe the buyer's job content with regard to 64 worker-oriented job elements. Bonferroni paired comparison t-tests were used to adjust for a Type I error. Results tended to confirm general perceptions that large store buyers (LSBs) were more quantitative, assertive, skillful in negotiations, and time conscious than were small store buyers (SSBs). SSBs appeared to be more consumer, community, and hands-on oriented than LSBs. Similarities in job content elements or universal components were also found. Buyers in both sises of organisations found the following job elements to be important or frequently used: judging quality, estimating quantity, making decisions, and personal sacrifice.

Mansi Batra and Linda Niehm (2009), discover how despite seemingly large market potential little is known about the scope of opportunities and threats for international apparel retailers seeking to enter the growing Indian retail arena. A low level of organised retail penetration, coupled with an ineffective supply chain, characterises the infrastructure of the Indian retail industry. Analysis of the current state of Indian retail, along with opportunities and threats to growth, would have immense significance for international retailers to enter the Indian market. This paper presents a conceptual framework that offers advice for international corporations regarding successful entry and sustainability in India. Using a metatheory approach, a series of testable propositions are presented in relation to opportunities for international retail development in the Indian apparel retail sector.

Imad J. Sbib, Barbara R. Wooldridge, Safar U. Ahmed, Yeghig Benlian, (2010), in their study focus on how the global cosmetics industry is an attractive business opportunity. This paper aims to study country of origin effects among Lebanese consumers' purchase of shampoo. The research tests four hypotheses in respect of country of origins' impact on shampoo purchase decisions and concludes with marketing implications. A questionnaire was administered to 332 consumers to test four hypotheses.
concerning the impact of country of origin. The data confirmed that there are no differences in either the overall quality perceptions of the product or the attribute evaluation of shampoos sourced from different countries; but the purchase intent of consumers for certain brands is affected by changes in the country of origin of the shampoo. In a low consumer involvement category such as shampoo, country of origin is not one of the key attributes affecting choice of Lebanese consumers. Purchase is driven either by practical objectives such as benefits or by experiential pleasures.

**Reviews related to Problem faced**

A study was conducted by (1977) Karthikeyan, P, (2011). The aims were to find the problems and prospects of retail marketing. The retail industry in India has become one of the most dynamic and fast paced industries with several players entering the market. But all of them have not yet tasted success because of the heavy investments that are required to break even with other companies and compete with them. This study mainly focuses on retail marketing in India. Tamil Nadu is performing well by providing the consumers’ expectations through unorganised retail operations. In this unorganised retail organisation, quality of the products is not up to the standard and the pricing are more flexible according to the bargaining capacity of the buyers. This study will help the organised retailers to offer better services as per the expectations of the customers. For this purpose, the researcher covered both benefits enjoyed by the organised retail marketers and also the issues faced by the customers. The researcher used empirical analysis made by selecting 1000 sample respondents in Erode District, Tamil Nadu, India, with the help of 28 retail outlets (organised retailers). The researcher found that building the store brand was studied by selecting six factors such as merchandise category, price, quality, specific attributes of benefits, life style and activity. The result of the Chi-Square test also proved that there is a close relationship between location of the retail market and level of satisfaction in using retail market. The problems faced in retail business pinpoints that scarcity of trained labourers, strict implementation of government rules regarding statutory leave, opening and closing times and unable to maintain proper storing were the prime burning issue of this thesis.
Kumar V, Morris George and Joseph Pancras (2008) discussed phenomenon of cross-buying by consumers enables that retailers to cross-sell their products and increase revenue contribution from existing customers. They further stated that effectiveness of cross-selling can be greatly improved by identifying the drivers of cross-buy and using them to target the right customers. They identified exchange characteristics, such as product returns, focused buying and product characteristics such as category of first purchase, as important drivers of cross-buying.

How consumers with disabilities perceive in retail servicescapes: a critical incident study by Baker, Stacey Mensel, Holland, Jonna, Kaufman-Scarborough, Carol (2007), in their paper aim to extend understanding of the cues that customers with disabilities use to judge in interactions in retail stores. Interview transcripts the researcher content analysed to determine inductively the cues customers with disabilities use to perceive the researcher. Finding given by the researcher has four primary situational factors explain to what perceptions are attributed: service personnel, store environmental factors, other customers and product/service assortments. Further, a disability becomes salient only when there is an interaction between the researchers these situational factors and consumers' disabilities. The findings suggest an extension to Bitner's servicescape conceptualisation and in that it specifies that the assessment of an environment as enabling or disabling is important for at least some customers in deciding whether they should stay, go, or return to a particular servicescape. The results reveal that consumers with disabilities should be viewed by the researcher as customers first, and only as possessing a disability in particular interactions in the customer-firm interface. This research presents the views of a set of customers who are under-represented in research samples. It discusses how not all people with disabilities are alike and begins to develop a deeper understanding of their behavior as consumers. The research is valuable for retail managers and service providers who need useful information for training employees, for designing servicescapes that are for consumers with disabilities, and for fulfilling the inclusive intent of the Americans with Disabilities Act (ADA). It will also be of interest to academics who are engaged in research that attempts to improve the quality of life for consumers.
A study on the effect of attitude and perception on consumer complaint intentions by Chulmin Kim, Sounghie Kim, Subin Im, Changhoon Shin. (2003) discusses the importance of managing dissatisfied consumers which has increased because of severe competition from the introduction of new types of stores, such as online shopping. It focuses on consumers who complain directly to the offending firms because their dissatisfaction provides the firm with the opportunity to improve its customer service. In contrast to studies that examine determinants of complaint behavior to resolve customer dissatisfaction, examines how attitudinal and perceptual variables, influenced by generalised personal factors, affect complaint intention. It performs a path analysis to examine the links among generalised personal antecedents, attitudinal and perceptual mediators, and customer's complaint intentions. The empirical results confirm that attitudinal and perceptual mediators positively influence complaint intention. Furthermore, three generalised personal antecedents affect attitudinal and perceptual mediators. The empirical results indicate that attitude toward complaining plays a central role in mediating three generalised personal antecedents and complaint intention. Finally this research provides managerial implications that suggest ways firms can manage customers' complaints to enhance customer satisfaction.

“The Effects of the Service Environment on Affect and Consumer Perception of Waiting Time: An Analysis of an Industrial Technology Diffusion” by Baker, Julie, Cameron, Michaelle, (1996), studies the management of buyers' perceptions of waiting time by service businesses may be critical to customer satisfaction. Although reducing actual waiting time is important, what manager’s view as a short time to wait may feel too long to customers? Relevant literature from architecture, environmental psychology, psychology, physiology, operations management, sociology and marketing is integrated to build a conceptual model of how the services environment may influence affect and, in turn, waiting time perception. Based on this model, propositions about how specific service environment elements (e.g., lighting, temperature) may influence affect and time perception are presented.

'Multinomial Logic Models Comparing Consumers' and Producers' Risk Perception of Specialty Meat’, conducted by Nganje, E. William, Kaitibie, Simeon, Taban, Thomas, (2005), in their study showed that consumers continue to resist this meat and perceive
them as somewhat unsafe while processors perceive them to be safe. This study uses survey data from 401 consumers and 22 bison processors to evaluate the determinants of food safety risk perception gaps. Results indicate that significant food safety risk perception gap exist between the consumers and producers of bison meat. Outrage, among other factors, accounts for consumer risk perception while the number of years in business is a major determinant of producer risk perception. Consumers' food safety risk perception affects the frequency of consumption of bison meat. This creates difficulties in formulating marketing strategies and policy initiatives aimed at moving specialty meats beyond niche markets.

Dubé-Rioux, Laurette, Schmitt, Bernd H, Leclerc, France (1989), in their two experimental studies tested the prediction derived from Lewin’s field theory that consumers who encounter a delay during the pre-process and post-process phase of a restaurant visit will evaluate the service provided more negatively than customers who experience a delay during the in-process phase. The researchers further predicted that the degree of uncertainty about the length of the delay and an individual's need state would influence his or her perception of a delay and evaluation of the restaurant service. Results of experiment 1 strongly supported the point of delay hypothesis. In experiment 2, the researcher found an interaction of need state and point of delay. The certainty hypothesis did not receive empirical support.

Yi, Youjae Gong, Taeshik (2008), in his research investigates whether customer justice perception influences affect and, in turn, customer citizenship behavior and customer dysfunctional behavior. Furthermore, this study argues that positive affect influences customer citizenship behavior, while negative affect influences customer dysfunctional behavior. To test these relationships, the present study uses data from 209 executive-MBA students and 68 buyer companies. The results of the structural equation analysis reveal that most of these hypotheses are supported.

Leisen, Birgit, Prosser, Elise, (2004), “customers' perception of expensiveness and its impact on loyalty behaviors” in their paper report that in the domestic and global marketing of services, customer satisfaction and loyalty are of paramount importance. Managers and researchers alike have spent the past thirty years trying to understand the
antecedents and consequences of customer loyalty. This paper suggests a new construct, perceived expensiveness and tests its effects on four customer loyalty behaviors: word-of-mouth, repurchase intent, complaining behavior, and price sensitivity. Significant results across two industries are compared: an equipment-based industry (telephone service) and a personal interaction-based industry (hair styling service).

Liberatore, J, Matthew, L. Nydick, Robert, B. Chung, Q, Sloane, Elliot. Omega, (2001), had described by the researcher show how process change have focused on the improvement of operational performance measures such as the actual waiting time of a service system. The research process redesign may not only change the actual waiting time but also have significant impact on perceived waiting time. The researchers examine how process changes affect customer perceptions on waiting and customer satisfaction. The researchers describe a field study in which customer waiting time, both actual and perceived, is measured and compared before and after a process change. Results show that process changes can have significant impact on customer perception of waiting time. This study illustrates the benefit of piloting a proposed process change and measuring key process performance and customer assessment prior to implementation.

“Dealing With the Real Customer Service Issues” (2001), is a study which reveals that in many cases it would show that companies perception of what they are doing is quite different from the everyday reality experienced by their customers. It would probably reveal complaints from customer that deliveries are late, that orders are incomplete, that product was damaged or out of date and that the supplier's customer communications are inadequate. Customer’s service is a team game, which does not respect artificial company or departmental boundaries. If the team plays the researcher and everybody does his job, the company provides excellent service and wins the game. In addition to the training and motivational issues already touched on, there are other recurring themes. Some of the most important ones are: lack of clear and consistent leadership from the board, sole thinking lack of clearly defined roles and responsibilities, lack of agreed procedures and process compliance, failure to understand the complexity of customer services, and the difficulty of assessing costs and benefits. A vital factor in achieving consistently high levels of service is to understand the company business model and make supply decisions taking account of the total effect on the business.
Harvey Nichols, (2007), “Analysis: Brand health check - Great Britain departmental store struggles to define retail image”. The article analyses the struggle that Great Britain departmental store Harvey Nichols PLC has to undergo after a year's launch in Hong Kong, with its rival, Lane Crawford doing better business. The article states that the two core areas that need to be looked at are the product and the brand. It states that since the location of business cannot be changed, the way it is used for shopping has to be changed. Differentiation is the key area by which departmental stores compete in the retail trade.

Burnham, Elisabeth A. (1955), refers to the retail trade in the United States, sales management, and training the sales force in department stores. Characteristics of sales employees and selling that leave the customer with a good impression of the store are: customer interest that is expressed courteously while determining the consumer's needs; knowledge of merchandise and resourcefulness in choosing items for individuals; tact and graciousness in helping the clientele with decision making and in closing the transaction. Topics include an overview of socioeconomic changes such as transportation, customer service, depression, and competition in the postwar era, on-the-job training, effective departmental meetings, coaching supervisors, the buyer-manager plan, and salesmanship.

“A critical incident approach to the examination of customer relationship management in a retail chain: an exploratory study”, by Amy Wong, Amrik Sohal, (2003) investigates the nature of customer evaluations of their service encounters in a retail chain departmental store setting in Victoria, Australia. The focus of the study is to understand how a customer perceives positive and negative encounters with regard to shopping at the retail chain. To accomplish these objectives, the researcher gathered data by means of focus group interviews with customers of four retail stores. The researchers asked these customers to recall positive and negative critical incidents with regard to their shopping experiences at the retail store. The results indicated that positive critical incidents foster customer satisfaction, customer loyalty, and repurchase intentions, while negative critical incidents affected customer behavior and led to customer complaints, reduced willingness to patronise the retail firm, and to the spread of negative word-of-mouth behavior. Using this and additional information gathered in the interviews, implications are drawn regarding both the value of the methodology and the results for managers in this type of retail business.
Lorna Selby in her study “A Perspective on Management of Change in the Chinese Retail Industry”. (1989), considers problems of management in China, with particular reference to a large retail organisation in Beijing. Management of change is discussed and factors contributing to its effective implementation suggested. Amongst the key issues identified, staff development is considered in some detail and its contribution to enterprise changes is evaluated.

Rachel Poole, Graham P. Clarke and David B. Clarke, in their article “Growth, Concentration and Regulation in European Food Retailing,” (2002) extend recent work on British retail change, assessing the extent of corresponding or diverging development theories elsewhere in Europe. Ten national markets are scrutinised, with a view to understanding the likely variability in future European retail development. The so-called „golden age’ of grocery retailing in Britain, its subsequent demise, and the responses this provoked from retailers provides a benchmark against which to consider the experiences of other European markets. Evidence of retail development crisis paralleling Britain’s retail-property-development crisis is compared by the researchers rightly as a means of considering the overall limits to European retail development. Strategic responses to the broader economic climate, legislative changes and foreign discounter activity are discussed, highlighting similarities and differences across different national markets. The evidence researched is used to identify clusters of national markets exhibiting comparable development trajectories. It is concluded that future development in countries such as Britain, France and Netherlands may be expected to consist of limited consolidation among major players, alongside domestic share gains driven by concept innovation. Elsewhere, consolidation of fragmented domestic markets is likely to progress alongside organic growth and net importation of foreign capital.

“Uncertainty equals opportunity for some retailers” by Troy, Mike (2007) reports on the sales growth in the retail industry with the uncertainty in the subprime and housing market in the U.S. Badcock Home Furnishing Center’s President Don Marks asserted that the success of their firm is based on the pricing and margin structure which involves financing customers with less credit. Furthermore, companies in the rent-to-own industry are engaging into monthly payment terms and transparency which isolate them of criticism from customers.
Rationale for the present study

The researcher has thoroughly undertaken a review of earlier studies relevant to the present study conducted so far at international and national level. Through this exercise, the researcher has reviewed the various issues related to customers’ perception of the BROs (Branded Retail Outlets). All earlier studies reviewed in this context restricted their areas to identify the perception of socio-economic factors, customer’s awareness level, satisfaction, acceptance and problems. Only limited studies were carried out in the areas of BROs. The present study has gravity towards the perception of customers and potential customer towards BROs. To measure the perception the study takes into consideration the factors influencing the perception directly and indirectly from external and internal factors. Beyond this the study also considers the artificial situation created by the BROs which affects the perception in a big way.

In view of the above points the present study was done specifically about customers’ perception in retail industry. The present study attempted to investigate the perception of customer’s to determine the factors of purchase, satisfaction level, acceptance and problems faced by the BROs customer. Hence, the null hypotheses of the present study are as follows.

• There has been no significant association between the personal characteristics of the respondents and awareness / perception / satisfaction about the branded retail outlets.
• There has been no significant difference in the mean acceptance / problems scores among different groups of respondents.
• There has been no significant functional relation between the set of explanatory variables and the dependent variable.
• There has been no significant function which discriminate the respondents with lower level of satisfaction and respondents with higher level of satisfaction on the branded retail outlets.